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# Foreign CROPS AND MARKETS



VOLUME 61

NUMBER 5

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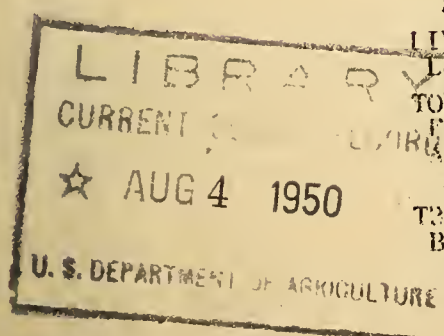
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FOR RELEASE

MONDAY

JULY 31, 1950



UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
WASHINGTON 25, D.C.

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## L A T E      N E W S

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Recent reports indicate that Argentine Ministry of Economy, on July 21, ordered suspension of all frozen and canned meat shipments to the United Kingdom. This action apparently was taken after no agreement could be reached in the current price negotiations. Trade sources have indicated that, in addition to curtailment of operations, it is too early to determine the full effect of the order.

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The first official forecast places Egypt's 1950-51 cotton acreage at 2,049,000 acres compared with a first estimate of 1,747,000 acres for 1949-50 and a final estimate of 1,756,000 acres. Production is estimated by private sources at about 2,050,000 bales (of 500 pounds gross weight). The estimated increase in acreage over last year's final estimate was distributed as follows: 8 percent in lower Egypt, 21 percent in middle Egypt and 51 percent in upper Egypt.

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### FOREIGN CROPS AND MARKETS

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COMMODITY DEVELOPMENTS

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TOBACCOFRANCE'S TOBACCO PRODUCTION  
UP; IMPORTS LOW <sup>1/</sup>

As a result of its short dollar exchange position, and some change in consumer preference, France has continued its program of increasing domestic production of leaf tobacco and of shifting its imports from the United States to soft currency countries, according to J. Earnard Gibbs, Tobacco Marketing Specialist stationed in Paris under the U. S. Department of Agriculture's Research and Marketing Act program. Reports as of July 1, 1950, indicate an increase of about 20 percent in the production of domestic leaf in 1950, compared with 1949, and smaller imports of leaf from the United States and other hard currency countries for the 1950 calendar year.

Preliminary estimates of tobacco acreage and production provided by the French Tobacco Monopoly place the 1950 crop in Metropolitan France at approximately 110 million pounds (farm weight basis) from an area of 75,118 acres, compared with a revised estimate of the 1949 crop of 92 million pounds from 74,921 acres. The 1950 crop was planted under favorable conditions, and with the exception of some hail damage which necessitated re-setting in limited areas, the crop has progressed very satisfactorily. There has been ample rainfall in all producing districts, the crop is well advanced and, as of July 1, it was in very good condition. If the forecast of 110 million pounds is realized, the production will exceed that in any previous year, except for the record 1947 harvest of 115 million pounds from 71,985 acres.

Imports of leaf during the six months January through June 1950, including arrivals from French Overseas Territories, are reported by the French Tobacco Monopoly at 17.3 million pounds, including only 3.1 million from the United States. The chief sources of imports were Turkey and Greece, the total for oriental types being 11.6 million pounds. Data from the Monopoly are not available for the same period in 1949 (January through June), but imports for the period reported by the French Customs authorities totaled 34.3 million pounds, predominantly from French Overseas Territories and oriental type tobacco producing countries.

Substantial imports of United States leaf are anticipated during the second half of 1950, but it is expected that the total for the year will again be far below normal.

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<sup>1/</sup> A more extensive statement may be obtained from the Office of Foreign Agricultural Relations, U. S. Department of Agriculture, Washington 25, D. C.

As a result of the shortage in dollar exchange, and a shift in consumer preference to somewhat lighter type cigarettes and smoking mixtures, the importation of United States dark fire-cured and dark air-cured leaf is now being limited to approximately 5 percent of France's requirements for the manufacture of cigarettes and smoking mixtures. This indicates annual requirements of the dark types of less than 7.7 million pounds. Increased sales of United States blended type and straight flue-cured cigarettes have increased the import requirements for United States flue-cured and Burley leaf. It is probable that the combined annual requirement of flue-cured and Burley leaf might soon exceed 4.4 million pounds.

Exports of leaf and tobacco products, January through June 1950, continued to be limited and were confined principally to cigarettes destined to French Overseas Territories.

#### AUSTRALIA'S TOBACCO PRODUCTION AND IMPORTS HIGHER

Australia's 1949-50 production of leaf tobacco is estimated at 23 percent above the 1948-49 harvest, according to the American Consulate General in Sydney. Imports of leaf during the first 3 months of 1950 were 25 percent above the level of the corresponding period of 1949.

The Country's 1949-50 production of leaf is preliminarily estimated at 4,400,000 pounds from 4,721 acres, compared with 3,566,000 pounds from 3,695 acres in 1948-49 and 2,484,000 pounds from 3,843 acres in 1947-48. The production in Queensland is estimated at 2,600,000 pounds, or 59 percent of the 1949-50 total. Production in other Australian States in 1949-50 is estimated as follows: New South Wales, 381,000 pounds; Victoria, 784,000 pounds; and Western Australia, 635,000 pounds. This compares with the 1948-49 production by States as follows: Queensland, 1,626,000 pounds; New South Wales, 402,000 pounds; Victoria, 940,000 pounds; and Western Australia, 598,000 pounds.

Imports of unmanufactured tobacco from dollar areas are under administrative control and applications for licenses to import are dealt with individually on their merits by the Commonwealth Department of Trade and Customs. However, imports in the quarter ending March 31, 1950, totaled 8,072,000 pounds, compared with 6,438,000 pounds in the previous 3 months and 5,498,000 pounds during January-March 1949. Of the January-March 1950 imports, 7,479,000 pounds, or 93 percent, came from the United States. This compares with 4,865,000 pounds, or 88 percent during the corresponding period of 1949. Other important sources of supply during January-March 1950 were Southern Rhodesia, Northern Rhodesia and Cuba.

Cigarette imports into Australia during the first 3 months of 1950 totaled 2,560,000 pounds, or 43 percent above the 1,792,000 pounds imported during the corresponding period of 1949 and more than treble



the January-March 1948 imports which totaled 818,000 pounds. Of the total cigarette imports during the first quarter of 1950, 1,885,000 pounds, or 74 percent were supplied by the United Kingdom, compared with 1,677,000 pounds, or 94 percent in the corresponding period of 1949. Other important sources of supply during the first 3 months of 1950 were the Netherlands, the Union of South Africa, and India. In addition to cigarettes, Australia during the first 3 months of 1950 imported 224,000 pounds of other manufactured tobacco products, most of which came from the United Kingdom.

### TROPICAL PRODUCTS

#### BRAZIL'S 1949-50 CACAO PRODUCTION AT RECORD HIGH

Brazil harvested the largest cacao crop in its history in the 1949-50 crop year (April to March), according to the American Consulate in Bahia. The total 1949-50 output of 355 million pounds exceeded the previous record production of 335 million pounds in 1946-47 by 6 percent. Brazil produced 276 million pounds of cacao in 1948-49 and an annual average of 264 million pounds in the prewar (1935-39) period.

The 1949-50 cacao outturn was composed of about 346 million pounds from Bahia, 4.3 million pounds from Vitoria, and 4.2 million pounds from Para. Since Brazil's domestic consumption of cacao beans now amounts to about 40 million pounds annually the 1949-50 output provided about 315 million pounds for export.

While the Bahia Cocoa Trade Commission continues to estimate the Bahia May to September 1950 intermediate crop at around 80 million pounds, trade sources in Brazil expect it to reach about 100 million pounds. Weather conditions thus far have been favorable for the main crop to be harvested from October 1950 to January 1951.

### FATS AND OILS

#### CANADA INCREASES FLAXSEED ACREAGE

Canadian flaxseed acreage for 1950, forecast at 541,000 acres, is an increase of 68 percent over the final estimate of 322,500 acres for last season but a decrease of almost 60 percent from the 1944-48 average.

Condition of the flaxseed crop for all Canada on June 30 indicated a yield of 85 percent of the long-time average of 8 bushels per acre. On this basis, 1950 production should be around 3.7 million bushels. A crop of this size would not meet Canada's domestic requirements but stocks should be sufficient to supply the deficit and possibly to provide an exportable surplus.

## FRANCE'S FATS AND OILS SUPPLY CONTINUES TO IMPROVE

France's domestic production, imports, and consumption of animal and vegetable fats and oils may be somewhat larger this year than last, according to the American Embassy, Paris, though official forecasts have not yet been reported. A smaller acreage, however, was planted to oilseeds as of May 1. Butter production has been larger this year than last and, barring drought, should continue to exceed 1949. The indicated 1950 increase over 1949 in livestock slaughter suggests a larger production of lard and other animal fats and tallow. Of the supplies from overseas areas, an increase is expected in olive oil from Tunisia, but little or no increase is expected in peanuts or oil from French West Africa. Imports of 30,000 to 50,000 tons of fluid oil from outside the French Union may be necessary during 1950-51.

The fats and oils supply position, which in 1948 was already markedly better than in 1947, continued to improve in 1949 and in the course of the year the last rationing controls were removed. Per capita consumption of edible fats and oils, however, was about 15 percent below prewar. Supplies were readily available, but relatively low purchasing power and high prices restricted consumption.

Commercialized butter production in 1949 was estimated at 116,950 short tons, an increase of about 16 percent over 1948. No estimate of lard production is available, but it is believed to have been well above the 98,000 tons estimated for 1948. The 1949 commercialized production of tallow was estimated at 11,300 tons, more than double the 1948 output.

France's 1949 oilseed harvest amounted to 204,700 tons, a record output and an increase of 13 percent over 1948. Total vegetable oil production from domestic and imported oilbearing materials amounted to 327,740 tons, an increase of 10 percent over 1948 but still 45 percent below prewar.

Imports of oilbearing materials in 1949 amounted to 667,940 tons, a decline of 6 percent from 1948. Imports of oils as such, however, amounted to 88,830 tons, an increase of 7 percent over 1948. Total imports, oil equivalent, amounted to approximately 380,170 tons, almost 3 percent less than in the previous year.

Among industrial products utilizing fats and oils, margarine, at 59,524 tons in 1949, was the only one to show an increase over prewar with an advance of 8 percent, and also a slight increase over 1948. Total soap production, at 281,400 tons, also gained slightly over 1948 but was 40 percent below prewar.

Domestic producers of oilseeds will continue in 1950 to receive support prices, according to official announcements. Fluid oil prices continue to be fixed at the refining level, and wholesale and retail margins also are in force. Prices of olive oil and lard, however, are entirely



free. Butter prices are free at the producer level, but wholesale and retail margins are fixed. Prices paid to processors, and wholesale and retail margins are fixed for margarine and similar fats. The general level of prices is higher than a year ago.

#### ISRAEL'S EDIBLE OIL PRODUCTION SHOWS INCREASE

Israel's production of edible oils increased to 15,980 short tons in 1949 from 11,460 tons in 1948, according to the American Embassy, Tel-Aviv. During the same period the production of oilcake increased from 11,000 to 17,600 tons.

Olive oil production in 1949 is estimated to have been 2,800 to 3,300 tons--all consumed locally.

Since the production of both edible oils and oilcake is inadequate for local requirements, the deficiency is supplied by imports. Edible oilseed imports during 1949 approximated 2,400 tons against 1,810 tons during July-December 1948 (figures for year not available). Oilcake imports the past year amounted to 28,660 tons against 31,967 in 1948.

Consumption of oilcake in 1950 will aggregate approximately 52,900 tons, half of which is expected to be from domestic production.

#### LIVESTOCK AND ANIMAL PRODUCTS

##### LONDON WOOL SALES CLOSE STRONG

Prices were up on all grades for the closing week of the London Wool sales. Good medium fleeces, 64's - 70's, averaged \$1.99 per pound clean basis compared with \$1.85 for the opening week. Fine crossbred 56's closed at \$1.24 compared with \$1.15 in the opening week and 46's crossbreds closed at \$.90 compared with \$.81.

Competition was keen with Bradford dominating the market, while good support was provided by France, Belgium and Switzerland. The series closed showing a very strong tone.

The trend in prices at this series is significant since it is the only guide to wool values in the interval before selling is resumed in the Dominions at the end of August. Higher prices are also significant since they reflect the short stock position in the United Kingdom and on the Continent.

GRAINS, GRAIN PRODUCTS AND FEEDSCANADA EXPECTED TO REMOVE IMPORT  
RESTRICTION ON CLEANED RICE

It was expected that Canada's prohibition against imports of cleaned rice under the provisions of the Export and Import Permits Act would be removed effective July 1 but no action has been taken to modify the restriction. However, the Minister of Trade and Commerce announced in the House of Commons on June 26 that controls on rice would be lifted shortly, probably by September 1.

CANADA REPORTS  
INCREASED GRAIN AREA

Canada's 1950 grain acreage is about 400,000 acres larger than the area harvested in 1949 and about 3.3 million acres larger than the average for the 5 years ended 1947, according to a preliminary report of the Dominion Bureau of Statistics. Wheat is the only one of the major grains showing a decline in acreage from 1949. However, increases in feed grains, particularly in barley and oats, more than offset the reduction in wheat.

Acreages, though larger than in 1949, are smaller than expected on the basis of farmers' intentions to plant, as of April 30. The reduction reflects the unfavorable weather in many areas, especially in Manitoba, during the spring seeding period. Acreages reported are based largely on the annual June survey of field crops.

All wheat acreage for harvest, reported at 26,964,000 acres is slightly below the near record area of 27,541,000 acres harvested in 1949, but is 20 percent above the 1943-47 average. Farmers had reported intentions to plant 27.2 million acres. Most of the decline both from 1949 wheat acreage and from intended acreage occurred in Manitoba, where the current acreage of 2,382,000 acres contrasts with the 1949 area of 3,167,000 acres and farmers' announced intentions to plant 2,850,000 acres. Acreage in Saskatchewan was slightly larger than stated intentions and also larger than in 1949. Wheat acreage in Alberta was only about 5 percent below the high level of 1949 and virtually the same as stated in the intentions report. These three Provinces normally account for about 95 percent of Canada's wheat acreage.

The country's total oats acreage is placed at 11,575,000 acres, slightly above the 1949 acreage but about 500,000 acres below the intended area. The reported acreage is about 15 percent below the 1943-47 average, with reductions of 1.8 million acres in Saskatchewan and 0.6 million in Alberta accounting for the bulk of the reduction. A larger proportion of the oats crop is grown in the eastern Provinces than is true of any other major grain. Ontario and Quebec together account for about a third of this year's acreage.



CANADA: Seeded acreage of principal grain crops and land in summer fallow, 1950, with comparisons 1/

Province	Wheat	Oats	Barley	Rye	Summer-fallow
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
<u>Quebec</u>					
1949.....	26	1,509	125	14	-
1950.....	33	1,546	142	14	-
1950 as percent of 1949.....	127	102	114	100	-
<u>Ontario</u>					
1949..... <sup>2/</sup>	864	2,086	228	105	-
1950..... <sup>2/</sup>	926	2,128	233	104	-
1950 as percent of 1949.....	107	102	102	98	-
<u>Manitoba</u>					
1949.....	3,157	1,703	1,699	46	2,156
1950.....	2,382	1,610	1,717	82	2,560
1950 as percent of 1949.....	75	94	101	178	119
<u>Saskatchewan</u>					
1949.....	15,737	3,381	1,800	690	12,686
1950.....	16,203	3,381	1,954	663	12,438
1950 as percent of 1949.....	103	100	108	97	93
<u>Alberta</u>					
1949.....	7,586	2,255	2,118	325	6,116
1950.....	7,251	2,455	2,534	312	5,950
1950 as percent of 1949.....	96	109	120	96	97
<u>Other Provinces</u>					
1949.....	161	455	47	1	-
1950.....	169	455	56	1	-
1950 as percent of 1949.....	105	100	119	100	-
<u>Canada</u>					
1949..... <sup>2/</sup>	27,541	11,389	6,017	1,132	20,958
1950..... <sup>2/</sup>	26,964	11,575	6,636	1,181	20,998
1950 as percent of 1949.....	98	102	110	100	100

1/ Preliminary estimates for 1950.

2/ Includes winter wheat acreage remaining for harvest.

From reports of the Dominion Bureau of Statistics.



Barley acreage is reported at 6,636,000 acres, an increase of about 600,000 acres over the 1949 area but about 300,000 acres below intentions. It is 10 percent smaller than the 1943-47 average, mainly because of decreases in Manitoba and Saskatchewan, which outweighed a substantial increase in Alberta.

Total rye acreage remains at the 1949 level, with a small increase in spring rye and a corresponding decrease in winter rye. The total acreage in summerfallow shows little change from 1949. An increase of about 400,000 acres in Manitoba, attributed to flood conditions in that Province, is largely balanced by reductions in Saskatchewan and Alberta.

The condition of all grains at the end of June was above that of a year ago at the same time. Wheat condition was placed at 83 percent of the long-time average yield per acre, compared with 72 percent at the same time of 1949 and 95 percent in 1948. The condition of barley and oats was better than in either of the past 2 years, with barley reported at 85 percent compared with 76 percent in 1949 and oats 89 percent compared with 81 percent a year ago. Rye, at 74 percent, was 20 points higher than in 1949 as was the condition of mixed grains, at 96 percent.

#### AUSTRIA PLANS NEW GRAIN IMPORT AND PRICE STABILIZATION MEASURES

A new draft law relating to control of grain imports was approved by the Austrian Cabinet on June 20 for presentation to Parliament by the Austrian Ministry of Agriculture and Forestry, according to the American Legation in Vienna. Inasmuch as the proposal has the approval of all members of the Cabinet, it is believed that few, if any, changes will be made by Parliament. The draft provides that the law is to become effective on September 1, 1950, and remain in force until June 30, 1953.

Under the proposal, a grain equalization fund would be established and utilized to protect indigenous grain production, stabilize bread and flour prices, and assure adequate supplies of animal feeds to the Austrian livestock industry. A Grain Commission, consisting of 27 members representing the Provincial Chambers of Agriculture, the Federal Chamber of Commerce, Trade and Industry, and the Federal Chamber of Labor, would be set up for the purpose of exercising general supervision over the administration of the program.

The Ministry of Agriculture and Forestry would be required, upon the recommendation of this Commission, to formulate an annual breadgrain and feedgrain import and export program, including byproducts. The program, covering the subsequent crop year, is to be prepared by July 1 of each year. Indigenous grain production and the feed requirements for

meat and fat production are to be taken into consideration in the formulation of the programs. Additional details to be included are the quantities of breadgrains and feedgrains and their products to be imported and exported, the period of import or export, the origin, quality and utilization of the imports, and the distribution of the imports throughout the various Federal Provinces.

Public notice of intention to import would be given, bids invited, and licenses to import would have to be obtained from the Commission. The Commission may also authorize the Agricultural Ministry to require mills to fix extraction rates, and produce specific types of flour.

Differences between the price of wheat and rye and the fixed prices for bread and flour are to be adjusted by requiring flour millers either to pay into or collect an equalization fee from the Equalization Fund. The maximum amount of this fee is to be fixed annually, simultaneously with the price of breadgrains, flour, bread, and baked goods. In addition, the measure provides that the difference in transportation costs resulting from delivery of breadgrains from various sources to the mills may be adjusted through the payment or collection of a transportation equalization fee up to 10 percent of the producer price. When indigenous breadgrains and feedgrains are higher in price than the imported product of the same quality, the importer will be required to pay an equalization fee into the Equalization Fund not to exceed 60 percent of the producer price for the indigenous product. The actual amounts of these fees will be fixed by decree.

Equalization fees collected from importers of breadgrains and milled products used for human consumption will be used to prevent unreasonable fluctuations in grain, flour and bread prices. Those collected from importers of feedgrains, bran and mixed feeds containing grain or grain products, will be used to safeguard the interests of domestic feedgrain producers and producers of livestock and meat products.

The proposed law contains no provisions for fixing or regulating Austrian producer and consumer prices of grain and grain products. These aspects of the Austrian grain economy are to be covered in separate laws, the full details of which are not yet available.



COTTON AND OTHER FIBERCOTTON-PRICE QUOTATIONS  
ON WORLD MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the  
U.S. gulf-port average

Market location, kind, and quality	Date 1950	Unit of weight	Unit of currency	Price in foreign currency	Equivalen U.S. cent per pound
<u>Alexandria</u>		: Kantar			
Ashmouni, Good.....	7-27	: 99.05 lbs.	: Tallari		(not:quoted)
Ashmouni, F.G.F.....	"	: "	: "		(not:quoted)
Karnak, Good.....	"	: "	: "	90.80	52.63
Karnak, F.G.F.....	"	: "	: "	81.80	47.42
<u>Bombay</u>		: Candy			
Jarila, Fine.....	"	: 784 lbs.	: Rupee	1/ 620.00	16.50
Broach Vijay, Fine.....	"	: "	: "	1/ 690.00	18.37
<u>Karachi</u>		: Maund			
4F Punjab, S.G., Fine.....	7-26	: 82.28 lbs.	: "	83.80	30.73
289F Sind, S.G., Fine.....	"	: "	: "	88.00	32.27
289F Punjab, S.G., Fine....	"	: "	: "	90.00	33.00
<u>Buenos Aires</u>		: Metric ton			
Type B.....	7-27	: 2204.6 lbs.	: Peso	4400.00	41.30
<u>Lima</u>		: Sp. quintal			
Tanguis, Type 3 $\frac{1}{2}$ .....	7-26	: 101.4 lbs.	: Sol		(not:quoted)
Tanguis, Type 5.....	"	: "	: "		(not:quoted)
Pima, Type 1.....	"	: "	: "		(not:quoted)
<u>Recife</u>		: Arroba			
Mata, Type 4.....	7-27	: 33.07 lbs.	: Cruzeiro	250.00	41.13
Sertao, Type 5.....	"	: "	: "		(not:available)
Sertao, Type 4.....	"	: "	: "	270.00	44.42
<u>Sao Paulo</u>					
Sao Paulo, Type 5.....	"	: "	: "	255.00	41.95
<u>Torreón</u>		: Sp. quintal			
Middling, 15/16".....	"	: 101.4 lbs.	: Peso	256.00	29.21
<u>Houston-Galveston-New</u>					
Orleans av. Mid. 15/16"....	"	: Pound	: Cent	XXXXX	38.85

Quotations of foreign markets reported by cable from U. S. Foreign Service posts abroad. U. S. quotations from designated spot markets.

1/ Nominal.



U. K. COTTON CONSUMPTION  
CONTINUES A SLOW UPWARD TREND 1/

Cotton consumption in the United Kingdom continued to show a slow, gradual rise and during the first 10 months of the current season is 4 to 5 percent above the level of the same period of last season. A larger labor force, less absenteeism and increased productivity of individual plants has contributed to this expansion. The present level of consumption of about 2,100,000 bales (480 pounds net) annually is, however, only about 75 percent of the prewar level.

The continued high level of general demand for British cotton textiles suggests that this trend may continue for some time but production is not expected to reach the prewar level.

Although the volume of output of cotton textiles depends largely on labor supply, the acquisition of adequate quantities of raw cotton of the qualities required continues to give the industry concern. The industry is also showing increasing anxiety regarding the high current price levels of raw cotton.

Prices of rayon staple fiber by contrast have remained stable at 18 pence (21 cents) a pound, and rayon consumption has been increasing at a rate greater than that of cotton over the first few months of 1950 when cotton yarn production was up 5 percent over the previous year, the output of spun rayon and mixture yarns in the cotton industry rose 34 percent. In the first quarter of 1949 these yarns represented 6.7 percent of the industry's total yarn output. In the same months of 1950 the proportion was 8.5 percent.

While the trend in production of yarns and cloth in 1950 has been satisfactory, the same cannot be recorded with respect to the export trade, for shipments of both yarns and cloth have been declining. During the first 4 months of this year exports of cotton yarns totaled 22.8 million pounds, compared with nearly 31 million in the same period of 1949, while exports of cotton piece goods amounted to 268 million square yards compared with 310 million in the first 4 months of last year. The decline in exports to India and the Union of South Africa accounts for the greater part of this loss.

The withholding of export licenses by the United Kingdom Government for soft-currency markets in Europe probably accounted for the decline in yarn shipments. Smaller exports of cloth are attributed in part to the smaller volume of gray cloth being imported for processing and reexport. In general, overseas customers are said to be more discriminating and cautious while competition from other textile producing countries is increasing. The increase in Japan's exports, while those of Lancashire declined, is the subject of anxious comment.

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1/ Based on reports of K. M. Greaves, American Consulate, Manchester, England.

Although the export outlook continues to be rather uncertain, producers in general are reported to have enough orders to keep them busy for many months on both home or export account, and the mills can readily dispose of all the goods they can make. For this reason the prospect for a continuation of the present rising trend in cotton consumption seems reasonably assured for some time to come.

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L A T E      N E W S

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(Continued from Page 89)

The 1950-51 cotton crop in Tanganyika (British East Africa) has been damaged by excessive rain and bollworm infestation. Production in Lake Province, which usually accounts for 75 to 80 percent of the crop, is now estimated at 33,000 bales (of 500 pounds gross) compared with an earlier estimate of 42,000 bales. Picking of early planted cotton was begun in June.

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The Department of Agriculture has been informed that outbreaks of foot-and-mouth disease have recently occurred in Venezuela. In view of this occurrence, the Government of Venezuela has appropriated a considerable fund for carrying out a campaign against the disease. The authorization also provides for the establishment of an executive committee to be charged with the planning, direction and control of the campaign.